



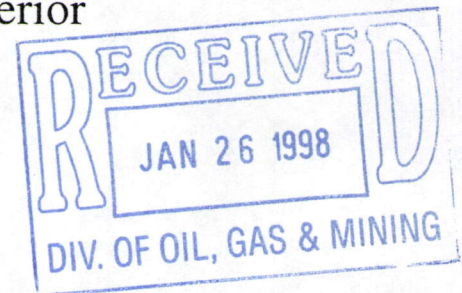
IN REPLY REFER TO:

U-72296
3809
(UT-023)

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Salt Lake District Office
2370 South 2300 West
Salt Lake City, Utah 84119



CERTIFIED MAIL #P 443 674 948
RETURN RECEIPT REQUESTED

JAN 23 1998

Mr. William Bown
Utah Building Stone Supply
842 West 400 North
West Bountiful, UT 84087

Dear Mr. Bown:

On December 9, 1997, we received a copy of your incomplete Plan of Operations from the Utah Division of Oil, Gas and Mining (UDOGM), for proposed mining activities on your Golden Eagle #2-7, Rusty Rock, and Windy Ridge placer mining claims located in T. 12 N., R. 17 W., Sections 1, 3, 10, 11, and T. 13 N., R. 17 W., Sections 34 and 35.

On December 11, 1997 we requested that you provide additional information so that your Plan of Operations could be considered complete. On December 18, 1997 you submitted a portion of the requested information, however you did not provide a third-party Professional Engineer's (PE's) certification of the reclamation costs.

We cannot consider your Plan of Operations to be complete until the PE's estimate of reclamation costs is provided to this office. As a part of the PE's estimate of reclamation costs, you must submit a map showing the exact areas you propose to mine, including access roads on Bureau of Land Management (BLM) lands. You must also include an estimate of the total acreage you propose to use during operations. The perimeter (corners) of each of the talus slides you propose to mine must also be flagged so that our resource personnel can locate these areas in the field.

In a recent conversation with Lynn Kunzler of UDOGM, he has estimated that you currently have 8.5 acres of surface disturbance associated with access roads on BLM lands. His estimate does not include any acreage for actual mining of talus slopes on Public Lands. He also stated that, of 8.5 acres of BLM lands currently disturbed, UDOGM's Board is requiring Utah Building Stone Supply (UBSS) to reclaim 7.0 acres of that total. Until the 7.0 acres have been reclaimed, this acreage must be included as a part of the PE's estimate of reclamation costs for your Plan of Operations, and must be included in your reclamation bond, as we outlined in our letter of December 11, 1997.

In your letter of December 18, 1997, at Item #5, you asked if the BLM has considered its option to defer to UDOGM with reference to the bond issue. At 43 CFR 3809.1-9(i), it is stated that "the authorized officer may accept evidence of an existing financial guarantee under State law or regulations, if it is redeemable by the Secretary, acting by and through the authorized officer, and held or approved by a State agency for the same acrea covered by the Plan of Operations, upon determining that the instrument held or approved by the State provides the same guarantee as that required by this section, regardless of the type of financial instruments chosen by the State". At 43 CFR 3809.1-9(h), it is stated that "in no case shall the financial guarantee be less than \$2,000 per acre or fraction thereof". We have enclosed a copy of these regulations for your use.

Please be advised that mining or rock picking activities cannot be authorized on the subject mining claims until the requested information has been provided, and your Plan of Operations has subsequently been approved by this office. We understand that the subject mining claims cannot be examined by a PE, nor BLM staff personnel, until the snow cover has melted this coming spring.

Please provide the requested information at your earliest convenience. If you have any questions, or require additional information, please feel free to contact Michael Ford of my staff at (801) 977-4360.

Sincerely,

A handwritten signature in cursive script, appearing to read "Margaret W. Wyatt, Acting".

Margaret Wyatt
Area Manager

Enclosure

cc: D. Wayne Hedberg
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, UT 84114-5801